

Enterprise System for Grants, Contracts & Loans Management Project
Executive Steering Committee Minutes
April 19, 2006

Attendees:

Sadie Hawkins, Doug Beam, Ann Bruner, Jim Cahill – OFM
Jan Marie, Del Hontanosas, John Hanson -- CTED
Polly Zehm, Gary Zeiler, Debbie Stewart – ECY
David Koch - DIS
Carol Baque, Tom Babington, John Saunders – Sierra Systems

Status

Sierra Systems completed all deliverables for the feasibility study.
Finalized remaining feasibility documents:

- Business Case
- Work Plan
- Risk Plan

Anticipate publishing to the web site by next week. However, I will distribute the documents by email attachment in the interim.

Funding

Jim Cahill presented his findings regarding Certificate of Participation (COP) (lease purchase agreement.) Noted that software and staffing costs will be a challenge to acquire in a lease purchase agreement. Financing is designed for tangible assets such as hardware and may take some extensive negotiation.

Applications for a COP are due quarterly, August 1 for September financing, November 1 for December financing, etc. Based on \$3-million in financing with an interest rate of five percent the total cost would be near \$3.6-million. The obligation would require semi-annual payments of \$415-thousand every December and June for four years.

Other funding options discussed:

- Submit for the 05-07 2nd year Supplemental.
- Submit for 07-09 Budget.
- Solicit other agency funding.
- Redirect OFM, CTED, and Ecology resources to support the Preplanning Phase of the project to be completed.

Jan Marie felt CTED would need to immediately move forward with a loans system solution for their Housing program. There is question of confidence that the project will be completed in a time period to resolve the Housing business needs.

Alternatives were also discussed of how to resolve short term needs until the funding could be secured.

- Focus on building core functionality and build other components to use later.
- Could an existing system like Prism be used for a temporary fix.
- Giving a copy of Ecology's contracts system to CTED to use.

Basically all of these options still require configuration costs no matter which option you chose.

While the group was disappointed with the current funding challenge, overall they felt the need to move forward with the Preplanning Phase. The next phase is planned for five months, which includes an RFP, inventorying and cataloging of programs. Completing this portion of the project would validate whether to purchase a product or build a custom solution to satisfy the project requirements. Also, this will provide additional information for the funding solution.

Presentation of Feasibility Study by Sierra Systems

Sierra Systems presented an overview of the remaining project deliverables, which included work plan, costs, benefits, cost benefit analysis, and project considerations. (The slide presentation will be posted to the web site at <http://www.ofm.wa.gov/accounting/grants/default.asp> and distributed as an email attachment.)

Next Steps:

- Meet in two to three weeks to continue funding options discussion.
- Doug Beam will clarify what the COP can be used for and dollar amount that could be solicited based on COP/GLCM project requirements.
- Jim Cahill will meet with CTED to better understand their current needs.
- Jim Cahill will seek clarification on why the project was not funded and how we can be better positioned next time. (Is Enterprise the right funding model? Is there a different funding model we should use?)
- CTED, ECY, and OFM to return with plans, strategies and contingencies for continuing with the project. User group will be scheduled April 26th to begin this work.

Next Meeting:

May 8, 2006, 8:00 to 9:30 Point Plaza 1st Floor Conference Room